GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

STARRED QUESTION NO:256
ANSWERED ON:15.03.2007
DELAY IN SUPPLY OF LPG
Chakraborty Shri Ajay;Singh Shri Mohan

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government has been receiving complaints from various quarters about the delay in supply of LPG to the consumers by the gas agencies in different parts of the country ;

(b) if so, the number of such complaints received during 2006-07 ; (

(c) the reasons for delay in supply of LPG to the consumers ; and

(d) the corrective steps taken/being taken by the Government to ensure timely supply of LPG to the consumers and also to check malpractices of gas agencies ?

Answer

MINISTER OF PETROLEUM & NATURAL GAS (SHRI MURLI DEORA)

(a) to (d) : A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE LOK SABHA STARRED QUESTION NO. 256 BY SHRI MOHAN SINGH AND SHRI AJOY CHAKRABORTY TO BE ANSWERED ON 15TH MARCH, 2007 REGARDING DELAY IN SUPPLY OF LPG.

(a) to (d) : Government is ensuring that adequate quantity of Liquefied Petroleum Gas (LPG) is available in the country. LPG supplies to distributors are being made by the Public Sector Oil Marketing Companies (OMCs) through indigenous production and imports in accordance with the genuine demand of customers registered with the LPG distributors. In the current year (April-January), a total of 46.76 lakhs of new LPG connections and 9.97 lakhs of Double Bottle Connections (DBCs) have been released by the OMCs. The number of domestic LPG customers has gone up from 7.72 crores as on 1.4.2004 to 9.25 crores as on 1.1.2007. However, at times, because of operational problems, occasional backlogs do occur. OMCs have reported a backlog of two to four days in three States due to disruption in supplies on account of heavy rains, labour unrest in Kerala resulting in closure of bottling plants and increased demand on account of Holi festival. Government has advised OMCs to liquid ate the backlog in these States by operating the bottling plants on holidays and during extended hours.

While OMCs are making all efforts to meet the genuine demand of the customers registered with the LPG distributors, they have reported 59 established cases of delay in supply of LPG refill cylinders by their LPG distributors during the year 2006-07 (1.4.2006 to 28.2.2007). Action against the erring distributors is taken in accordance with the provisions under the LPG Marketing Discipline Guidelines (MDG).

In addition to the action taken by the OMCs under the MDG, State Governments are empowered to take action against illegal use of domestic LPG. The following measures have been taken to prevent the diversion / black marketing of domestic LPG cylinders for commercial purposes :

(i) Under the LPG (Regulation of Supply and Distribution) Order, 2000 promulgated under the Essential Commodities Act, 1955 the diversion / black marketing of domestic LPG cylinders for commercial purposes by the distributors of OMCs is prohibited. The State Governments are empowered to take action against erring distributors under the provisions of this Order. The State Governments have been alerted from time to time to take steps against the diversion of domestic cylinders for unauthorized usage.

(ii) The officials of OMCs carry out random checks at distributors godown, delivery point, as well as en-route to ensure that no diversion / black marketing takes place. In terms of the MDG, in case of establishment of any diversion / black marketing of domestic LPG cylinder for commercial purposes, the following action is taken against the distributor :-

Fine of Rs. 20,000 plus the price of LPG diverted at commercial rates for 1st offence.

Fine of Rs. 50,000 plus the price of LPG diverted at commercial rates for 2nd offence, and

Termination of the distributorship for 3rd offence.

(iii) Government have issued advertisements cautioning the public that use of domestic LPG for non-domestic purposes is illegal, dangerous and against national interest. Through these advertisements, cooperation of the general public has also been sought to report any irregularity/malpractice to the OMCs.

(iv) Government have advised OMCs to introduce different colours for domestic & non- domestic cylinders. This is expected to help in controlling the diversion of domestic LPG for unauthorized use.